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Approved: David B. Anders / Steven R. Peikin
DAVID B. ANDERS/STEVEN R. PEIKIN
Assistant United States Attorneys

Before: HONORABLE THEODORE H. KATZ
United States Magistrate Judge
Southern District of New York

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UNITED STATES OF AMERICA	:	<u>SEALED COMPLAINT</u>
- v. -	:	Violation of
	:	18 U.S.C. §§ 1503,
FRANK QUATTRONE,	:	1505, 1512, and 2
Defendant.	:	COUNTY OF OFFENSE:
	:	NEW YORK
-----	x	

SOUTHERN DISTRICT OF NEW YORK, ss.:

KATHLEEN M. QUEALLY, being duly sworn, deposes and says that she is a Special Agent with the Federal Bureau of Investigation and charges as follows:

COUNT ONE

(Obstruction of Justice)

1. In or about December 2000, in the Southern District of New York and elsewhere, FRANK QUATTRONE, the defendant, unlawfully, wilfully, and knowingly, corruptly influenced, obstructed, and impeded, and endeavored to influence, obstruct, and impede, the due administration of justice, to wit, the defendant directed officers and employees of Credit Suisse First Boston Corporation ("CSFB") to destroy evidence required to be produced pursuant to a federal Grand Jury subpoena.

(Title 18, United States Code, Sections 1503 and 2.)

COUNT TWO

(Obstruction of Agency Proceeding)

2. In or about December 2000, in the Southern District of New York and elsewhere, FRANK QUATTRONE, the defendant, unlawfully, wilfully, and knowingly, corruptly influenced, obstructed, and impeded, and endeavored to influence, obstruct, and impede, the due and proper administration of the law under which a pending proceeding was being had before a department and agency of the United States, to wit, the defendant directed officers and employees of CSFB to destroy evidence required to be produced pursuant to a subpoena issued by order of the United States Securities and Exchange Commission (the "SEC").

(Title 18, United States Code, Sections 1505 and 2.)

COUNT THREE

(Destruction of Evidence)

3. In or about December 2000, in the Southern District of New York and elsewhere, FRANK QUATTRONE, the defendant, unlawfully, wilfully, and knowingly, corruptly persuaded another person, and attempted so to do, with intent to cause a person to alter, destroy, mutilate, and conceal an object with intent to impair the object's integrity and availability for use in an official proceeding, to wit, the defendant directed officers and employees of CSFB to destroy evidence required to be produced pursuant to subpoenas issued by a federal Grand Jury and the SEC.

(Title 18, United States Code, Sections 1512 and 2.)

The bases for my knowledge and for the foregoing charges are, in part, as follows:

Introduction

4. I have been employed as a Special Agent with the Federal Bureau of Investigation (the "FBI") for approximately one year. I am currently assigned to a criminal squad responsible for investigating violations of the federal securities laws and related offenses.

5. The information contained in this affidavit is based, in part, upon personal knowledge arising from my participation in this investigation, and, in part, upon information and belief. The sources of my information and belief include the following: information provided to me, directly and indirectly, by other law enforcement agents, representatives of the SEC and NASD; information provided to me and statements made to me by various current and former officers, employees, and representatives of CSFB; and my review of various documents, records, and reports. Where the statements of others or the contents of documents are related herein, they are related in substance and in part, and not verbatim. All references to dates, times, and amounts are intended to be approximate. Because this affidavit is submitted for the limited purpose of establishing probable cause, I have not set forth each and every fact that I know concerning this investigation.

CSFB And QUATTRONE

6. Based on my review of various publicly-available materials, including materials posted on CSFB's internet website, I am aware that CSFB is a global investment bank headquartered in New York, New York. On its internet website, CSFB states that its "businesses include securities underwriting, sales and trading, investment banking, private equity, financial advisory services, investment research, venture capital, correspondent brokerage services and asset management." Based on my review of publicly-available materials, including press reports, I am aware that during the years 1999 and 2000, CSFB was one of the nation's leading underwriters of initial public offerings ("IPOs") of companies engaged in technology-related businesses.

7. Based on my review of publicly-available materials, as well as my participation in this investigation, I am aware that from in or about late 1998 until in or about February 2003, FRANK QUATTRONE, the defendant, was the Head of CSFB's Global Technology Group. In that position, QUATTRONE supervised hundreds of employees who were responsible for providing investment banking and other financial services to technology companies and others.

CSFB's "Document Retention" Policy

8. Based on my review of internal CSFB documents, I am aware that during 2000, CSFB maintained a "document retention" policy governing CSFB's retention and destruction of documents created in the course of its various business activities. The document retention policy was posted on CSFB's "intranet," an

internal computer network, where it was accessible to CSFB's officers and employees. I have been advised by CSFB officers that the policy was periodically distributed to CSFB officers and employees.

9. Based on my review of relevant portions of CSFB's document retention policy that was in effect in 2000, including the portions of the policy that apply to securities offerings, I am aware that:

a. The policy provided that CSFB employees were to retain only limited categories of final documents created in connection with a securities offering, and were to destroy all other documents. Specifically, the policy stated, in relevant part:

For any securities offering, the Designated Member [of the underwriting team] should create a transaction file consisting of (i) all filings made with the SEC in connection with an SEC registered offering or, in an unregistered offering, the final offering memorandum used in a Rule 144A offering or other form of private placement, (ii) the original executed underwriting or placement agent agreements, (iii) the original executed comfort letters from accountants, (iv) the original executed opinions of counsel and (v) a completed document checklist (see Exhibit B hereto). In order to avoid confusion and ensure greater compliance with these policies, no file categories other than those set forth in Exhibit B may be created in connection with any CSFB managed securities offering without the approval of your team leader and a lawyer in the IBD Legal and Compliance Department or the CDG Manager.

b. It was CSFB policy to suspend compliance with its document retention policy, and to cease the destruction of documents, with respect to any securities offering, upon the actual or reasonably likely commencement of litigation relating to that offering. Specifically, the policy stated, in relevant part:

[N]o documents related to a transaction may be destroyed if (i) CSFB has been made a party to litigation involving such transaction or has received a subpoena which calls for the production of such documents or (ii) it is reasonably likely that litigation may be commenced in connection with such transaction or any matter relating to CSFB's involvement therein.

The Investigations

10. As described more fully below, I am aware that during the year 2000, CSFB and FRANK QUATTRONE, the defendant, became aware that CSFB was the subject of three investigations of its practices in allocating shares of securities in certain IPOs that it underwrote. Certain information with respect to each of these investigations is set forth below.

A. The NASD Investigation

11. Based on my review of documents and conversations with representatives of NASD, I am aware that in the Spring of 2000, NASD was conducting an investigation of CSFB's practices in allocating shares in certain IPOs. I have reviewed written requests for the production of documents made to CSFB by NASD, pursuant to NASD Rule 8210, in connection with that investigation, including:

a. A May 17, 2000 request for the production of various documents relating to the allocation of shares in the IPO of VA Linux Systems, Inc. ("VA Linux"); and

b. A September 11, 2000 request for, among other things, the production of certain emails relating to VA Linux written by FRANK QUATTRONE, the defendant.

12. Based on my review of documents and my conversations with representatives of CSFB's Legal and Compliance Department ("LCD"), I am aware that as a result of the NASD investigation, LCD suspended CSFB's document retention policy with respect to the VA Linux IPO. I have reviewed emails and memoranda sent by LCD to certain CSFB officers and employees advising of the existence of the NASD investigation and the suspension of the document retention policy with respect to the VA Linux IPO. Among the emails I reviewed is a June 2, 2000 email sent to FRANK QUATTRONE, the defendant, among others, which stated, in relevant part:

VA Linux Systems, Inc. ("LINUX") 12/9/99 IPO -
Do Not Destroy Any Documents

Please be advised that the Legal Department is in receipt of an inquiry from the Enforcement Department of NASD Regulation in connection with the above-referenced matters. The Legal Department has retained [Lawyer] of [Law Firm] to assist in CSFBC's response to the NASD. At this time, no documents of any kind (including e-mails, computer files, etc.) can be destroyed or altered. Everything responsive must be preserved for review by CSFBC's outside counsel.

13. I have reviewed an email dated June 2, 2000, in which FRANK QUATTRONE, the defendant, responded to the author of the email described in the preceding paragraph, which stated, "What is this about?"

14. I have reviewed an email dated June 5, 2000, in which a member of LCD responded to FRANK QUATTRONE, the defendant, in relevant part, as follows:

The VA Linux Systems inquiry from the NASD seems to direct its inquiry [sic] toward the allocation process. The request is extremely broad and requires production of all documents including e-mails and voice-mails relating to the allocation process. Please do not destroy any files related to the IPO. We will be in touch with your group shortly regarding the collection of responsive information.

15. I have reviewed an email dated June 7, 2000, in which a member of LCD directed FRANK QUATTRONE, the defendant, among others, to collect and produce to LCD documents in his possession relating to the VA Linux IPO. The email stated, in relevant part:

As you are aware, CSFB must provide to our outside counsel ... all documents responsive to the NASD inquiry in the VA Linux Systems, Inc. ("LINUX") IPO on 12/9/99 as soon as possible.

You have been identified as an employee with knowledge and/or documents of this deal. If you have not already done so, please gather responsive documents (this includes computer files or e-mails) from the time period June 1, 1999 through May 16, 2000 and make arrangements with your staff for those documents to be brought to me by Monday June 12, 2000

16. I have reviewed an email dated June 29, 2000, in which a member of LCD directed FRANK QUATTRONE, the defendant, among others, to confirm that he had "conducted a diligent and comprehensive search of all of the documents in [his] possession, custody or control of any documents [sic] related to the VA Linux IPO and allocation process, and that [he] had turned over any such documents to" LCD.

B. The SEC Investigation

17. Based on my review of documents and my conversations with representatives of the SEC, I am aware that during 2000, representatives of the SEC's Office of Compliance Inspections and Examinations began an examination of CSFB's equity underwriting process.

18. I have reviewed an email dated July 10, 2000, in which a member of LCD advised FRANK QUATTRONE, the defendant, among others, of the SEC examination. The email stated, in relevant part:

We received notice today that the SEC will be conducting an examination of CSFB's Equity Underwriting Process beginning Friday, July 14, 2000.

They have asked us to produce the following documents in their initial request:

A list of all equity underwritings from 1/1/99-6/30/00 in which CSFB was lead manager, co-manager, or syndicate member in excess of 10% of the total offering. For each underwriting, the offering and first day closing prices. A schedule outlining CSFB's commission and markup-markdown charges for the various products traded by the firm, for both retail and institutional clients.

CSFB's written supervisory procedures regarding the equity underwriting process, including, but not limited to, the engagement of the client, the pricing of the issue, and the allocation process. CSFB's operational procedures regarding the equity underwriting process, including, but not limited to, the engagement of the client, the pricing of the issue, and the allocation process.

19. Based on my review of documents and my conversations with representatives of the SEC, I am aware that the SEC examination of CSFB was subsequently referred to the SEC's Division of Enforcement, which commenced an enforcement investigation of CSFB and others.

20. According to SEC documents that I have reviewed, on September 20, 2000, the SEC sent to CSFB a written request for the voluntary production of documents. The request sought a wide variety of documents relating to all IPOs for which CSFB served as adviser or underwriter during the period June 1, 1999 through September 20, 2000, including the following:

- a. "All documents relating to representations made by CSFB to the issuers of IPOs";
- b. "All documents relating to CSFB's internal sales materials for all IPOs";
- c. "All closing binders and documents relating to closing binders for all IPOs"; and
- d. All documents "sufficient to show communications involving CSFB employees pertaining to or relating to all IPOs," including emails involving CSFB's Technology Group.

21. The SEC's request defined "document" to include:

[A]ll records and tangible forms of expression in your possession or custody or subject to your control, drafts or finished versions, originals, copies of annotated copies, ... including but not limited to, books, papers, files, notes, account

statements, confirmations, correspondence, memoranda, ledger sheets, reports, telegrams, telexes, telephone logs, notes or records of conversations or meetings, contracts, agreements, calendars, date books, bank statements, worksheets, summaries, invoices, bills, records of billings, checks, wire transfers, drafts for money, records of payments, magnetic tape, tape recordings, disks, diskettes, disk packs and other electronic media, microfilm, microfiche, and storage devices.

22. I have reviewed an email dated September 20, 2000, in which CSFB's Director of Compliance advised FRANK QUATTRONE, the defendant, among others, that the SEC's examination of CSFB's IPO allocation process had been referred to the SEC's Division of Enforcement. Based on my training and experience, I am aware that the Division of Enforcement is responsible for, among other things, investigating possible violations of the federal securities laws. The email stated, in relevant part:

We have been informed today that the SEC's examination of our IPO allocation process has been referred to the SEC's Division of Enforcement. We also understand that the SEC has contacted certain customers of the Firm in conjunction with this investigation.

You may be contacted by your customers regarding this matter. Please refer the call to one of the LCD persons listed below and do not discuss the substance of this inquiry with your customers or forward this email outside the Firm.

23. I have reviewed a September 20, 2000 email from FRANK QUATTRONE, the defendant, to CSFB's General Counsel for the Americas (the "General Counsel/Americas"), in which QUATTRONE asked whether he could forward the email described in the preceding paragraph to a subordinate of QUATTRONE who was in charge of CSFB's Technology Private Client Service Group (the "Tech PCS Group"). Based on information provided to me by representatives of CSFB and CSFB documents that I have reviewed, I am aware that the Tech PCS Group was responsible for, among other things, providing trading and brokerage services to certain hedge funds, technology company executives, and other high-net-worth individuals. During 1999 and 2000, the Tech PCS Group was

entitled to allocate to its clients between approximately two and four percent of the shares in each IPO of a technology-related company that CSFB underwrote.

24. I have reviewed a September 20, 2000 email from the General Counsel/Americas to FRANK QUATTRONE, the defendant, in which the General Counsel/Americas responded to QUATTRONE's request by advising him not to discuss the matter with the Tech PCS Group subordinate. The email stated, in relevant part:

Not advisable because your conversation with him or anyone other than me or any other lawyer on this matter is not privileged. I am happy to call [the Tech PCS Group Subordinate] to tell him and say I advised you not to. When I talk to him, I will advise [the Tech PCS Group Subordinate] not to discuss with anyone, including specifically [another Tech PCS Group subordinate] because it is likely he and she, as well as you, will be called as witnesses by the SEC and I don't want there to be any inference whatsoever that anyone was trying to influence anyone else's testimony. Also, remember any conversation or email you have on this subject to him or to any issuer will be the subject of questioning because not privileged. Thus, don't call any 1998-2000 issuer to give heads-up. Instead, give me a list of contacts and we will do so in privileged way.

25. Based on my review of documents, I am aware that on October 18, 2000, the SEC entered a formal administrative "Order Directing Private Investigation And Designating Officers To Take Testimony" (the "Formal Order") in connection with its investigation of CSFB. I have reviewed the Formal Order, which authorized certain members of the staff of the SEC, among other things, to issue subpoenas in connection with the investigation of CSFB.

26. I have reviewed a subpoena issued by the SEC to CSFB on October 18, 2000, which directed CSFB to produce a wide variety of documents relating to all IPOs for which CSFB served as adviser or underwriter during the period January 1, 1999 through October 18, 2000, including the following:

a. "All documents relating to representations made by CSFB to the issuers of the IPOs including ... underwriter agreements, prospectuses, minutes, agendas with attachments, notes, emails and reports";

b. "All documents relating to CSFB's internal sales materials for all IPOs";

c. "All closing binders and documents relating to closing binders for all IPOs";

d. "All documents sufficient to show communications involving CSFB employees, pertaining to or relating to all IPOs," including emails involving CSFB's Technology Group;

e. "All documents relating to the valuation and pricing of all IPOs"; and

f. "All documents sufficient to show communications between CSFB and the issuers of all IPOs."

27. The SEC subpoena defined "document" in the same manner as had the SEC's request for voluntary production of documents.

28. I have reviewed an October 18, 2000 email from a member of LCD to FRANK QUATTRONE, the defendant, among others, which stated, in relevant part:

I am working on the SEC investigation into IPO allocations. I need to confirm if you had any involvement at all in the allocation of Selectica, Inc., including any consulting, e-mails, conferences, etc. Please advise me ASAP since we need to provide a list to the SEC.

29. I have reviewed an October 20, 2000 email sent by FRANK QUATTRONE, the defendant that in response to the October 18, 2000 email in which QUATTRONE responded, "[H]ad zero to do with it to the best of my recollection."

30. I have reviewed an October 20, 2000 email from a member of LCD to FRANK QUATTRONE, the defendant, which stated,

"Sorry to bother you again, outside counsel wants to know if you were involved with the VA Linux allocation process." I have reviewed an email sent that same day in which QUATTRONE responded, "[S]ame answer."

31. I have reviewed an October 25, 2000 email from a member of LCD to FRANK QUATTRONE, the defendant, among others, which advised of the need to collect documents relating to the IPO of Selectica, Inc. The email stated, in relevant part:

In response to the SEC investigation of IPO allocations, we need to review all documents related to valuation and pricing of Selectica, Inc., including notes, memoranda, emails on your pc, etc. Please forward all documents on this matter to my attention or reply of [sic] you do not have any such documents concerning the valuation or pricing.

32. Based on my review of a series of emails exchanged among CSFB employees during the period October 25-30, 2000, I am aware that FRANK QUATTRONE, the defendant, did have among his computer files documents relating to Selectica. The emails indicate that the documents were collected by QUATTRONE's subordinates and provided to LCD.

C. The Grand Jury Investigation

33. Based on my conversations with other FBI agents, I am aware that in the Fall of 2000, the Office of the United States Attorney for the Southern District of New York and the FBI commenced a federal criminal investigation of CSFB's IPO allocation practices. On or about November 21, 2000, a federal Grand Jury empaneled in the Southern District of New York issued subpoenas to CSFB and certain of its employees. The Grand Jury subpoenas were served by facsimile on counsel for CSFB on November 22, 2000.

34. Based on my review of the Grand Jury subpoena directed to CSFB, I am aware that the subpoena directed the production to the Grand Jury of a broad array of documents, including the following documents relating to all IPOs for which CSFB served as underwriter, adviser, lead manager, or co-manager, during the period January 1, 1999 through November 21, 2000:

- a. "All documents relating to any communications between CSFB and any of the issuers of the IPOs";
- b. "All documents relating to CSFB's internal sales or marketing materials for the IPOs";
- c. "All documents relating to the receipt of compensation by CSFB in connection with the IPOs; and
- d. "All documents relating to the valuation and pricing of the IPOs."

35. The Grand Jury subpoena defined "document" to include:

[E]ach and every writing of whatever nature, whether an original, a draft, or a copy, and whether in electronic or printed form, however produced or reproduced, and each and every tangible thing from which information can be processed or transcribed, such as tape or other electronic data communications. It includes all copies of documents which are not identical duplications of the originals (e.g., because handwritten or blind copy notes appear thereon or are attached thereto). It includes electronic mail messages.

The Effort To Obstruct The SEC And Grand Jury Investigations

36. Based on my review of internal CSFB documents, I am aware that on December 3, 2000, the General Counsel/Americas and FRANK QUATTRONE, the defendant, exchanged emails regarding the NASD, SEC, and Grand Jury investigations of CSFB's IPO allocation practices. The relevant content of the emails is as follows:

a. At approximately 2:04 p.m. EST, the General Counsel/Americas sent QUATTRONE an email which stated, in relevant part:

As you may know, there has been an inquiry going on by both the SEC and NASDR into our allocation processes in the IPO market.

There have been some recent developments that are of extreme concern that I need to speak with you about as soon as possible.

b. At approximately, 4:51 p.m. EST, QUATTRONE sent the General Counsel/Americas an email, asking if the General Counsel/Americas could "email [QUATTRONE] some details of [the General Counsel/Americas'] concerns?"

c. At approximately 5:39 p.m. EST, the General Counsel/Americas sent QUATTRONE an email informing QUATTRONE of the Grand Jury investigation. The email stated, in relevant part:

Briefly, and this should absolutely not be passed on to anyone else, we have received Federal Grand Jury subpoenas asking for testimony and documents about the IPO allocation process from the firm and each of the nine people who has so far testified before the NASDR. I have retained [Lawyer] to represent us in this criminal investigation and he and I are meeting as early as tomorrow with the US Attorney in NY to try to prevent them from sending subpoenas for testimony and documents to the customers who received allocations in, among others, VA Lynux [sic], as well as subpoenas to the issuers, because of the inherent possibility of a leak which would be extremely detrimental. Please call me tonight up to 10 pm or tomorrow.

d. At approximately 5:46 p.m. EST, QUATTRONE sent the General Counsel/Americas an email, asking "Are the regulators accusing us of criminal activity?"

e. At approximately 5:48 p.m. EST, QUATTRONE sent the General Counsel/Americas an email, asking "Who are the nine people?"

f. At approximately 5:53 p.m. EST, the General Counsel/Americas sent QUATTRONE an email, stating, in relevant part:

The ones I have told so far are [Three Names Listed]. Until I tell the others personally tomorrow, I don't want to disclose their

names yet. In answer to your other email, they are not formally accusing us or the individuals yet, but they are investigating because they think something bad happened. They are completely wrong but merely being investigated and having something leak could be quite harmful, so the idea is to get them to back off their inquiry, we educate them as to the entire IPO process, including [sic] the allocation [sic] issues and criteria, and urge them to back off.

g. At approximately 5:56 p.m. EST, the General Counsel/Americas sent QUATTRONE an email, stating, in relevant part:

But please do not under any circumstances discuss these facts with anyone -- however innocently -- because everything we say now is going to come under a microscope. I know these people and how they work and I am controlling the flow of information on an extremely tight need to know basis with all sorts [sic] of privileges attached. This is serious and unless I can slow it down and curtail what they do, it will spread to others in the firm. That's why I do need to speak with you personally.

37. Based on my review of various emails, I am aware that on December 4, 2000, CSFB's "Global Head of Execution - Technology Group" (the "Head of Execution") proposed to FRANK QUATTRONE, the defendant, among others, that an email be sent to "all corporate finance bankers (and their assistants)" reminding them to comply with CSFB's document retention policy. The relevant content of the emails is as follows:

a. At approximately 6:20 p.m. EST, the Head of Execution sent an email to four senior officers of the Technology Group, including QUATTRONE, which stated, in relevant part:

With the recent tumble in stock prices, and many deals now trading below issue price, I understand the securities litigation bar is mounting an all out assault on broken tech IPOs.

In the spirit of the end of the year ... you may want to send around a memo to all corporate finance bankers ... reminding them of the CSFB document retention policy and suggesting that before they leave for the holidays, they should catch up on file cleanup.

Today, it's administrative housekeeping. In January, it could be improper destruction of evidence.

c. At approximately 6:23 p.m. EST, one of the recipients of the 6:20 p.m. email replied, "Why don't you send out the email [sic] with [name of another senior officer,] you and I on the memo[.] Let's make this a top priority."

d. At approximately 6:23 p.m. EST, QUATTRONE replied to the 6:20 p.m. email, "You shouldn't make jokes like that on email!"

38. I have reviewed an email sent by the Head of Execution to an email group consisting of several hundred members of CSFB's Global Technology Group, including FRANK QUATTRONE, the defendant, as well as members of the Tech PCS Group, on December 4, 2000, at approximately 8:13 p.m. EST (the "December 4 Email"). The December 4 Email stated, in relevant part:

With the recent tumble in stock prices, and many deals now trading below issue price, the securities litigation bar is expected to [sic] an all out assault on broken tech IPOs.

In the spirit of the end of the year (and the slow down in corporate finance work), we want to reminding [sic] you of the CSFB document retention policy. The full policy can be found at http://intranet.csfb.net/GlobalIBD/lcd/doc_retention_us.html The relevant text is:

"For any securities offering, the Designated Member [of the deal team] should create a transaction file consisting of (i) all filings made with the SEC in connection with an SEC registered offering or, in an unregistered offering, the final offering memorandum used in a Rule 144A offering or

other form of private placement, (ii) the original executed underwriting or placement agent agreements, (iii) the original executed comfort letters from accountants, (iv) the original executed opinions of counsel and (v) a completed document checklist (see Exhibit B hereto). In order to avoid confusion and ensure greater compliance with these policies, no file categories other than those set forth in Exhibit B may be created in connection with any CSFB managed securities offering without the approval of your team leader and a lawyer in the IBD Legal and Compliance Department or the CDG Manager."

So what does it mean? Generally speaking, if it is not (i) - (v), it should not be left in the file following completion of the transaction. That means no notes, no drafts, no valuation analysis, no copies of the roadshow, no markups, no selling memos, no IBC or EVC memos, no internal memos.

Note that if a lawsuit is instituted, our normal document retention policy is suspended and any cleaning of files is prohibited under the CSFB guidelines (since it constitutes the destruction of evidence). We strongly suggest that before you leave for the holidays, you should catch up on file cleaning.

39. Based on my review of CSFB documents, I am aware that at approximately 8:18 p.m. EST, FRANK QUATTRONE, the defendant, drafted, but did not send, an email addressed to the Head of Execution and all of the recipients of the December 4 Email. I have reviewed the draft email, which attached the entire text of the December 4 Email and stated, "[H]aving been a key witness in a securities litigation case in south texas (miniscribe)."

40. I have reviewed an email sent by the General Counsel/Americas to FRANK QUATTRONE, the defendant, among others, on December 5, 2000 at approximately 12:43 p.m. EST. With respect to an expected Wall Street Journal article about the investigations of CSFB, the email stated, in relevant part:

The following statement will be issued to the Wall Street Journal in response to their inquiry yesterday about this issue:

We have received requests for information from Government agencies regarding the allocation of shares to investors in initial public offerings. Such allocations are based on a consideration of many factors. These include the investor's interest in the issue, its demonstrated knowledge of the issuer and its industry, and the nature and extent of the investor's brokerage relationship. We believe that the manner in which we allocate is appropriate and consistent with those in the industry. We are fully cooperating with the inquiries.

41. I have spoken to the General Counsel/Americas, who advised me that on December 5, 2000, he spoke to FRANK QUATTRONE, the defendant, about the Grand Jury investigation. The General Counsel/Americas stated that he believes that he discussed the receipt of the Grand Jury subpoena with QUATTRONE and advised QUATTRONE that he needed to obtain his own counsel to represent him in the federal Grand Jury investigation. During the call, QUATTRONE identified to the General Counsel/Americas the attorney who QUATTRONE wanted to represent him. I have reviewed telephone records that reflect that an 11-minute telephone call was placed by the General Counsel/Americas to a telephone number associated with QUATTRONE, on December 5, 2000 at approximately 1:47 p.m. EST.

42. I have reviewed an email sent by FRANK QUATTRONE, the defendant, to the General Counsel/Americas on December 5, 2000 at approximately 2:54 p.m. EST, in which QUATTRONE provided the General Counsel/Americas with the telephone number of the attorney who QUATTRONE wanted to represent him in connection with the federal Grand Jury investigation.

43. I have reviewed an email sent by FRANK QUATTRONE, the defendant, on December 5, 2000 at approximately 9:28 p.m. EST, to the same members of CSFB's Technology Group who received the December 4 Email (the "December 5 Email"). The December 5 Email attached the entire text of the December 4 Email and stated, "[H]aving been a key witness in a securities litigation case in south texas (miniscribe) i strongly advise you to follow these procedures."

44. I have reviewed an email sent by the Head of Execution to FRANK QUATTRONE, the defendant, and to the General Counsel of the Technology Group (the "General Counsel/Technology") on December 5, 2000 at approximately 9:33 p.m. EST, which stated, in relevant part:

I got a call from LCD this afternoon. Due to an NASD investigation of VA Linux, LCD has suspended our normal document retention policy. This is at the request of the NASD. (LCD told everyone except the Tech Group.) They hope to resolve the investigation and resume our document retention policy shortly.

LCD will be out with an e-mail this evening to ## CSFB Tech IBD advising them that due to the NASD investigation, files should be preserved for the next few weeks. They are aware that this leaves us exposed on the securities litigation front.

I will stay on top of this.

45. I have reviewed an email sent by the General Counsel/Technology on December 6, 2000 at approximately 9:04 p.m. EST, which stated, in relevant part:

Yesterday Frank and Richard reminded everyone to edit their files to comply with our Document Retention Policy. However, due to a routine regulatory inquiry, we must stop the editing process for public offerings until further notice. Our LCD attorneys are working to try to get the policy freeze lifted, but in the meantime the Document Retention Policy has been suspended with respect to public offerings
....

46. The General Counsel/Americas has told me that on or about December 7, 2000, he spoke to FRANK QUATTRONE, the defendant, about the December 5 Email. During the conversation, the General Counsel/Americas advised QUATTRONE, in substance, that the December 5 Email was highly problematic, that it posed a risk of creating serious legal and reputational problems for CSFB, and asked QUATTRONE for his cooperation in ensuring compliance with the investigation going forward.

47. As described more fully below, investigation has revealed that numerous CSFB documents that were likely responsive to the SEC and Grand Jury subpoenas were destroyed following the dissemination of the December 4 and December 5 Emails:

a. I have reviewed several internal CSFB emails sent on December 5, 2000 and December 6, 2000, in which certain CSFB employees directed other CSFB employees to destroy IPO-related documents. The emails include:

(i) A December 5, 2000 email which directed another CSFB employee to "delete intermediate drafts" of electronic documents;

(ii) A December 5, 2000 email which directed that a shared computer drive be "scrubbed to get rid of drafts of the IBC and EVC memos, NIBs, sales books, roadshow presentations, etc, to only keep the final version of each" and that two CSFB employees "get rid of your hard copies of files from the [Name Of Company] deal";

(iii) A December 6, 2000 email which directed that another CSFB employee "get rid of drafts" and "get rid of hard copies of everything from the deal";

(iv) A December 6, 2000 email directing another CSFB employee to "get rid of everything you have on [Name of Company]."

b. I have spoken to a former CSFB employee ("Former Employee No. 1") who advised me that, after receiving the December 4 Email, s/he began to clean out files relating to an IPO that s/he had worked on. Upon receiving the December 5 Email, Former Employee No. 1 took immediate action to comply with the instruction of FRANK QUATTRONE, the defendant. Former Employee No. 1 destroyed various hard-copy documents, including drafts of the IPO prospectus, and notes relating to due diligence performed in connection with the IPO.

c. I have spoken to another former CSFB employee ("Former Employee No. 2") who advised me that after the December 4 Email was distributed, s/he was assigned by a superior to clean his/her files and to ensure that fellow CSFB employees did so as well. Thereafter, Former Employee No. 2 discarded numerous IPO-related hard-copy documents, including notes reflecting communications with issuers of IPOs, and draft versions of various IPO-related documents.

d. Representatives of CSFB have advised me that CSFB is conducting a comparison of electronic files stored on certain CSFB computer servers as of November 24, 2000, with the files stored on those servers as of December 29, 2000. While the comparison is still ongoing, to date, it has revealed that hundreds of computer files stored in directories related to IPOs underwritten by CSFB were deleted during the period in question. CSFB is in the process of restoring these deleted files. I have reviewed restored versions of some of the deleted files, which include what appear to be IPO "pitch books" and valuation analyses, both of which were responsive to the SEC and Grand Jury subpoenas.

QUATTRONE'S Statement To CSFB's Vice-Chairman

48. Based on my conversations with representatives of CSFB, I am aware that during the week of January 27, 2003, several CSFB officers and employees, including FRANK QUATTRONE, the defendant, were advised that the Wall Street Journal planned to publish an article regarding the December 4 and 5 Emails. On January 29, 2003, CSFB's Vice-Chairman spoke to FRANK QUATTRONE, the defendant, to confirm that QUATTRONE had been unaware of the pending SEC and NASD investigations at the time he sent the December 5 Email. QUATTRONE'S confirmed that he had been unaware of the investigations prior to December 6, 2000.

49. I have reviewed a January 29, 2003 email sent by a CSFB public relations officer to several CSFB officers and employees, including FRANK QUATTRONE, the defendant. The email stated, in relevant part:

Tomorrow's Wall Street Journal and New York Post are expected to report that regulators are continuing their investigations of individuals at investment banks following the recent global settlement. The stories are expected to report that certain individuals including Frank Quattrone may still face criminal and/or civil charges as a result of emails that allegedly detail the Firm's document retention policies prior to the IPO allocation matter.

On the record, we provided the following statement:

CSFB's document policies comply with all applicable laws and regulations and are


consistent with industry standards. In this instance, CSFB took appropriate steps to ensure that all relevant documents would be preserved and provided to regulators. We strongly believe that CSFB's employees acted appropriately in this matter.

50. I have reviewed articles published in the January 30, 2003 editions of the Wall Street Journal and the New York Post which described the December 4 and December 5 Emails.

51. I have reviewed a January 30, 2003 email from FRANK QUATTRONE, the defendant, which replied to the January 29, 2003 email, stating, "[N]either article mentions that we had not been informed of the investigation prior to when the emails were sent. Could you please confirm they were backgrounded on that fact and chose to ignore it?"

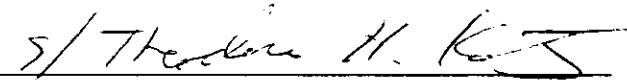
F. Conclusion

WHEREFORE, deponent prays that a warrant issue for the arrest of FRANK QUATTRONE, and that, upon arrest, he be imprisoned or bailed as the case may be.


KATHLEEN M. QUEALLY
Special Agent
Federal Bureau of Investigation

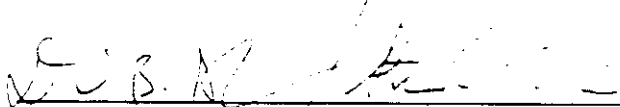
APR 21 2003

Sworn to before me this
21st day of April, 2003


UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK

THEODORE H. KATZ
UNITED STATES MAGISTRATE JUDGE
SOUTHERN DISTRICT OF NEW YORK

Due to the ongoing nature of this investigation, we request that this Complaint and any arrest warrant issued thereon be filed under seal.


DAVID B. ANDERS/STEVEN R. PEIKIN
Assistant United States Attorneys